Exhibit 11

Procedure for Whalen Diversion Dam to the State Line Reach Administration of Surface Water Rights from Tributaries and Drains

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Administration of Surface Water Rights from Tributaries and Drains

A. Definitions

- 1. Area of Administration Includes all North Platte River surface water tributaries and drains, excluding the Laramie River and Horse Creek drainages, in the area bounded by Whalen Diversion Dam on the west, the Ft. Laramie Canal on the south, the Interstate Canal on the north, and the Wyoming/Nebraska State Line on the east.
- 2. Rights affected The water rights affected by this administration procedure are those for irrigation purposes that divert from the surface water sources in the area of administration defined in section A.1 above. Wyoming will provide the NPDC a list of adjudicated surface water rights located within the area of administration.
- 3. Average irrigation efficiency The fraction of the amount of water diverted that is consumptively used by the crop.
- 4. Point of diversion The point from which an irrigation water right diverts or pumps water from the surface water source to which it is entitled.

B. Administration

- 1. The rights affected within the area of administration will be accounted and regulated in combination with the percentage apportionment of natural flow in the Guernsey Dam to Tri-State Dam section of the North Platte River under Paragraph V of the Modified Decree. Diversions from irrigation surface water rights in the defined area of administration will be added to the mainstem natural flow diversions for the purpose of calculating the 75% 25% split between Nebraska and Wyoming. Wyoming will continue to distribute all of the available natural flow in the area of administration to irrigation water rights in accordance with Wyoming law.
- 2. Where needed to accomplish the below described alternative regulation and accounting procedures, measuring devices and continuous recorders, that are consistent with the industry standards for the type of diversion installation, will be required at the point of measurement for each diversion. At the time allowed by the implementation schedule described below in section B.3.c, the Wyoming State Engineer will not allow diversions within this area of administration unless an approved measuring device has been installed. The Water Division One Superintendent, or designee, shall approve the type, location and installation of each measuring device in writing. The Wyoming State Hydrographer or Water Commissioner shall be responsible for the monitoring of diversions and the collection of diversion records.

- 3. The regulation and accounting procedures for this administration will be accomplished under either of two alternatives, Regulation With No Replacement or Regulation With Depletion Replacement, as described below:
 - a. Regulation With No Replacement This administration will be accomplished by Wyoming on a daily basis during the period May 1 through September 30 each year by including diversions from irrigation water rights in the area of administration in the river accounting system that is used to monitor and administer diversions and river flows consistent with the North Platte River Ownership and Natural Flow Accounting Procedure annually reviewed and adopted by the NPDC. Using the daily natural flow and storage accounting system, if Wyoming determines there is insufficient natural flow to meet all direct flow demands within Wyoming's 25% share, priority administration will occur against those irrigation water rights not in priority to divert.
 - b. Regulation With Depletion Replacement -As an alternative administration to being regulated when the water supply is insufficient to satisfy the direct flow diversion water rights, the water right appropriator may opt to continue to divert so long as the amount of water depleted as a result of the water right diversion is replaced, in accordance with sections B.3.b.i.and B.3.b.ii. below. Under this alternative, the

amount of water diverted will not be included in the accounting of natural flow.

- i. The amount of depletions to be replaced, resulting from surface water diversions for irrigation purposes within the area of administration, shall be equal to the quantity diverted times the average irrigation efficiency. Initially, the average irrigation efficiency shall be assumed to equal 50% of the water diverted. Such depletions shall be assumed to occur simultaneously with the diversion. Such depletion amounts shall be replaced either on the tributary or drain below the diversion point or to the North Platte River at or below Whalen Diversion Dam and upstream of the State Line. The depletion replacement amounts will be in as nearly as possible uniform daily amounts during the month following the month of diversion and will be treated as natural flow within the area of administration. For diversions that occur in September, replacement will occur the following irrigation season as a supplement to natural flow upon first release of storage water from the North Platte Project.
- ii. The average irrigation efficiency and the time period for replacement will be reviewed at least once every five years and may be modified by the NPDC based on new or site-specific information, including information or investigations on crop types and irrigation systems.

- iii. The NPDC may grant a variance to an appropriator holding an affected water right, as defined in section A.2 above, upon adequate demonstration to the NPDC that the actual irrigation efficiency differs from the assumed irrigation efficiency being used for the area of administration.
- iv. The replacement water for depletions may be provided from any source, including but not limited to, Wyoming's allocation of storage water in Glendo Reservoir, the Wyoming account in the Pathfinder Modification Project, other storage releases, replacement from other surface or groundwater supplies, or the cancellation or transfer of active water rights, pursuant to Wyoming water law.
- v. All replacement sources are contingent upon Wyoming being able to demonstrate to the NPDC that actual replacement water will become part of the natural flow on the tributary or drain below the point of diversion or the North Platte River below Whalen Dam and upstream of the State Line.
- vi. Wyoming will provide to the Bureau of Reclamation Area Office in Mills, Wyoming and the Nebraska Department of Natural Resources field office in Bridgeport, Nebraska monthly reports of the surface water diversions and the replacement water, if applicable, for depletions within the area of administration.

- c. Implementation Schedule Wyoming will implement the administration alternatives described above for the first full irrigation season beginning two years after court approval of the Final Settlement Stipulation and Modified Decree.
- 4. Wyoming will initiate the State Board of Control process to adjudicate any existing unadjudicated surface water rights for irrigation purposes that divert from the tributaries or drains in the defined area of administration within one year of court approval of the Final Settlement Stipulation and Modified Decree and complete such Board of Control adjudication within five years of said court approval. Adjudication will proceed pursuant to Wyoming law and will result in adjudication or cancellation of each such right affected by this process. Upon completion of this adjudication process, Wyoming will provide the NPDC with an updated list of adjudicated surface water rights within the area of administration.